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MATT POMMER

Huge 'political mortgage' awaits November winners

Pommer

The Mideast crisis and a lurking national recession could pinch the next round of state employee pay increases and government spending.

Wisconsin already needs at least a 7 percent increase in tax revenue in 1991-92 just to finance already-approved spending and to continue paying 46.3 percent of local school costs.

Indeed, if some inflationary trends and pay increases are recognized, the need for revenue increases jumps close to 8.5 percent in 1991-92, fiscal experts say.

The current fiscal year budget calls for spending $144.6 million more than is expected to be collected. The state is making up the difference by drawing on surplus funds from last year. The gap between revenue and spending is far larger when you get into the 1991-92 year.

Meanwhile, Wisconsin will see a $39.8 million decline in revenue in the 1991-92 fiscal year — about half reflecting the one-time sale of student loans; the other half reflecting lower inheritance tax rates.

In addition, the state is already committed to spending $124.6 million for programs coming on line. All this means the state will need an additional $308 million in tax revenue just to make state income match spending.

Then there is the matter of school aids. There is nothing in state law requiring the state to continue paying 46.3 percent of the cost of local education.

But there is a clear political and moral commitment. Indeed, candidates of both parties talk about the need to increase the percentage of state aid.

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State Budget Director Richard Chandler estimates another $130 million in state money will be required in 1991-92 just to maintain the 46.3 percent figure. That assumes school costs continue to increase at 6.5 percent for that year.

That pushes the "political mortgage" for the governor and Legislature elected in November to a grand total of $438.6 million. And that's before you get to higher state employee pay or the soaring health insurance premiums for those workers.

The printed budget condition statement assumes the state will collect just under $6.1 billion in taxes in the current fiscal year. A 7 percent growth in tax revenue would just about pay the "political mortgage" in the 1991-92 fiscal year.

The actual picture will be slightly better than the budgeted numbers. Robert Lang, who heads the non-partisan Legislative Fiscal Bureau, said tax collections for 1989-90 will be slightly higher than the $5.6 billion projected.

The final tax collection figures for the year completed on June 30 will be released in the next few weeks by the Department of Revenue. In October the Department of Administration will release a balance sheet for 1989-90, showing the amount of spending and the size of the surplus.

The budget story for 1990-91 is that Republican Gov. Tommy Thompson and the Democratic-controlled Legislature decided to live off the surplus, ignoring the need to match income with outgo.

The current fiscal year was supposed to start with a $243 million surplus. It will be somewhat larger. But the projected surplus for next June 30 is only $98.5 million. That projected surplus includes only $35.5 million in discretionary funds. The other $62.9 million is a statutory reserve, set up for rainy days.

Those rainy days may be at hand if economic times sour.

The Thompson administration, its re-election efforts put on cruise control, touts the economic strength of Wisconsin. Administration Secretary James Klauser says Wisconsin is unlikely to have a recession even if one hits the East and West coasts.

He made these statements before the Mideast crisis struck, gas prices skyrocketed, the dollar rose against foreign currencies, and the stock market tumbled.

Higher gas prices soak up the ability to buy other goods, many of them subject to the sales tax. A stronger dollar hurts exports, one of Wisconsin's economic staples. A stock market sellout could mean lower income tax revenue.

And Klauser isn't always right on his projections. He was the Republican official who in 1973 said the Watergate crisis would not have any impact on the Wisconsin Republican Party. In 1974 Democrats won control of the state Senate and picked up two congressional seats.

Back to the 1991-92 "political mortgage." The issue isn't whether the state falls into a recession or just suffers from the fallout of a national slowdown.

The question is whether state revenue will grow by 7 percent to pay the "mortgage" or whether programs must be cut or taxes increased. The last alternative gives indigestion to politicians in an election year. Most of them don't want the voters to even think about the idea. Politicians want to promise new programs and benefits, the largest of which always is property tax relief.

Democratic gubernatorial candidate Tom Loftus has proposed a property tax relief plan that, in effect, raises income taxes. His plan would eliminate the property tax/rent credit, coupling it with state lottery proceeds to increase the state share of local school costs.

Revenue Secretary Mark Bugher has denounced it, claiming Wisconsin can't afford the Loftus plan. Ironically, Bugher has been delegated the job of putting together a Thompson property tax relief plan.

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The last time the governor floated a full property tax relief program he proposed extending the sales tax to winter residential heating fuel, water and sewer bills, and commercial leases.

On occasion, Thompson still touts that program (without mentioning the sales tax extensions.) It was unpopular then, and probably would be a political disaster to even whisper those sales tax ideas this fall.

Those who promise "property tax relief" ought to explain how they will leapfrog the huge political mortgage awaiting the 1990 election winners.

Matt Pommer is the chief state government reporter for The Capital Times.

BOOKS

Sci-fi stories provide exhilarating journey

By Jim Creighton

Her Smoke Rose Up Forever
By James Tiptree Jr.
Arkham House
$25.95

Arkham House brings out only a few books each year, most of them significant works of science fiction or fantasy. Dazzling collections of stories by Lucius Shepard and J.G. Ballard come to mind from among the firm's fairly recent publications.

"Her Smoke Rose Up Forever," a collection of 18 stories by the late James Tiptree Jr., belongs in that company. In fact, John Clute describes it in his introduction as "one of the two or three most significant collections of short science fiction ever published," and he can probably find a good deal of support for that claim.

For some years, the identity of James Tiptree Jr. was a mystery. Now we know that "he" was Alice B. Sheldon, a photo-intelligence expert with the CIA who became one of the most somber, affecting writers in the history of science fiction.

Like Shepard and Ballard, however, she was not as much a genre writer as she was an author of serious fiction who found that her themes could best be explored against a sci-fi background.

Most people who read any appreciable amount of science fiction probably have had the indelible experience of Tiptree's much-reprinted "The Screwfly Solution" and "Houston, Houston, Do You Read?" or the award-winning "The Girl Who Was Plugged In" and "Love Is the Plan the Plan Is Death."

But those readers who haven't encountered many of the other stories in this collection are in for an exhilarating, if sometimes excruciating, journey.

If you were familiar with only her most famous stories, you might think that Tiptree was interested primarily in man's inhumanity toward woman, in a very gender-specific sense. She was more concerned, though, with man's inhumanity toward man, in the species-encompassing sense, and even that is much too narrow a description of her major themes.

A primary focus of her interest is the role of aggression as a life force, not only in mankind but in all of nature. But in her dark, often dismaying world, that life force is just as much a death force — a desperate struggle to survive that becomes a headlong rush to the grave.

This might seem like a morbid view of life, but for Tiptree, this compulsion for survival — paradoxically doomed by definition — was the essence of humanity. And few writers have captured that essence so well.

Jim Creighton reviews books for the St. Louis Post-Dispatch.

Poem book truly moving

By Edwina Kalkai

I Shall Not Be Moved
By Maya Angelou
Random House
$14.95

You don't have to be a poetry lover to be moved by Maya Angelou's "I Shall Not Be Moved."

Some of the verses evoke laughter. Others will turn on the tears or agitate dormant rage. Still others proclaim African-American cultural pride.

Angelou probably is best known for her poignant autobiography, "I Know Why the Caged Bird Sings." Her poems are just as powerful.

She packs the 23 poems of this tiny book with emotion. The feelings even come through in the titles, such as "Man Bigot."

A couple of the poems may take a little more thought to understand. But the others are so enjoyable that the extra effort needed to comprehend their messages is worth it.

Edwina Kaikai is a reporter for the Pittsburgh Press.

Maya Angelou

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